

# EXHIBIT 29

1 UNITED STATES DISTRICT COURT  
2 SOUTHERN DISTRICT OF NEW YORK  
3 Case No. 22-cv-4563

4 - - - - -x

5 COMMODITY FUTURES TRADING COMMISSION,

6 Plaintiff,

7 -against-

8 GEMINI TRUST COMPANY,

9 Defendant.

10 - - - - -x

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12  
13 CONFIDENTIAL VIDEOTAPED DEPOSITION OF

14 SHANE MOLIDOR

15 NEW YORK, NEW YORK

16 WEDNESDAY, DECEMBER 13, 2023

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22 REPORTED BY:

23 DANIELLE GRANT

24 JOB NO.: 6305652

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DECEMBER 13, 2023

8:30 A.M.

Confidential Videotaped Deposition of  
SHANE MOLIDOR, held at the offices of the  
COMMODITIES FUTURES TRADING COMMISSION, 140  
BROADWAY, NEW YORK, NEW YORK pursuant to Notice  
before DANIELLE GRANT, a Shorthand Reporter and  
Notary Public of the State of New York.

1 A P P E A R A N C E S:  
2 U.S. COMMODITY FUTURES TRADING COMMISSION  
3 Division of Enforcement  
4 1155 21st Street NW  
5 Washington, D.C. 20581  
6  
7 BY: ALEJANDRA DE URIOSTE, ESQ.  
8 ANDREW ROGERS, ESQ.  
9 DIANA WANG, ESQ.

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11 SHEARMAN & STERLING, LLP  
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13 Attorneys for the Defendant

14 599 LEXINGTON AVENUE  
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17  
18 BY: CHRISTOPHER L. LAVIGNE, ESQ.  
19  
20 RANDY MARTIN, ESQ.

21  
22 KRAMER LEVIN NAFTALIS & FRANKEL, LLP  
23  
24 Attorneys for the Witness

25 1177 Avenue of the Americas  
New York, 10036  
BY: DARREN LAVERNE, ESQ.  
NATHAN SCHWARTZBERG, ESQ.

ALSO PRESENT:

BRENT TOMER, ESQ., CFTC  
KATIE RASOR, ESQ., CFTC  
DAVID OAKLAND, ESQ., CFTC  
PHILIP GLAUBERSON, Videographer

1 MOLIDOR

2 Q I'm not asking if you have a  
3 specific recollection about any particular  
4 discussion with a customer about their  
5 trading strategy, but did you generally have  
6 conversations that included discussions  
7 about trading strategy?

8 MR. LAVIGNE: Objection. Form.

9 A Not that I recall.

10 Q Did you discuss with Gemini  
11 customers incentives to trade on Gemini?

12 MR. LAVIGNE: Objection. Form.

13 A I didn't have an independent  
14 recollection of exact conversations. I do  
15 have general recollections of conversations  
16 related to incentives.

17 Q And what type of incentives would  
18 you discuss?

19 MR. LAVIGNE: Objection. Form.

20 A To the best of my recollection,  
21 Gemini offered roughly four types of  
22 incentives on the platform. The first type  
23 of incentive related to bespoke fee and  
24 rebates that were offered to select  
25 institutional clients.

1 MOLIDOR

2 The second type of incentive  
3 related to Pearl Street Loans, receiving a  
4 loan in either bitcoin or ether. The third  
5 type of incentive related to advanced credits  
6 often referred to as operational advances.  
7 And the fourth type of incentive related to  
8 payment for participation in Gemini's  
9 auction.

10 Q Starting in the December 2016 time  
11 period, how did you communicate with Gemini  
12 customers?

13 A The methods of communication with  
14 clients at Gemini varied by channel. For  
15 example, some communications with Gemini  
16 clients occurred over Skype. Some  
17 conversations occurred over Telegram. Some  
18 conversations occurred over text message.  
19 Some conversations occurred over office  
20 landline. Some conversations occurred over  
21 personal cell phone or mobile device. And  
22 some conversations occurred in person.

23 Q Were there others in sales at  
24 Gemini that you worked with?

25 A Throughout my tenure at Gemini,

1 MOLIDOR

2 A I can't speak to correlations on  
3 the platform today, and I cannot speak to  
4 correlations on the platform that may have  
5 occurred during my tenure at Gemini.

6 Q You mentioned earlier Pearl Street  
7 Loans.

8 What's Pearl Street?

9 A My understanding of Pearl Street,  
10 based on my general recollections during my  
11 time at Gemini, was that Pearl Street was a  
12 personal investment vehicle owned by Cameron  
13 and Tyler Winklevoss.

14 Q And what was your role with regard  
15 to Pearl Street?

16 MR. LAVIGNE: Objection.

17 A During my tenure at Gemini, my  
18 recollection of my role related to Pearl  
19 Street was to negotiate potential loans to  
20 be received by select VIP customers, loans  
21 denominated in bitcoin or ether.

22 Q Were you an employee of Pearl  
23 Street?

24 A No.

25 Q Who asked you to negotiate on

1 MOLIDOR

2 behalf of Pearl Street?

3 A I don't have an independent  
4 recollection of who might have asked me.

5 Q Do you have a general  
6 recollection?

7 MR. LAVIGNE: Objection.

8 A My general recollection is that I  
9 absorbed this responsibility after Danny  
10 Kim's departure from Gemini in or around  
11 December of 2016.

12 Q And after Danny Kim departed  
13 Gemini, was there anyone else at Gemini that  
14 you worked with in relation to Pearl Street?

15 A My general recollection is that  
16 conversations regarding Pearl Street Loans  
17 were had with Cameron Winklevoss, Tyler  
18 Winklevoss and, at times, Benjamin Small.

19 Q And what was the nature of those  
20 conversations?

21 A I don't have an independent  
22 recollection of the conversations.

23 Q Did you ever receive instructions  
24 from Cameron Winklevoss or Tyler Winklevoss  
25 related to Pearl Street?

1 MOLIDOR

2 MR. LAVIGNE: Objection. Form.

3 A I don't have independent  
4 recollection of instructions being provided.

5 Q Apart from Cameron Winklevoss,  
6 Tyler Winklevoss and Benjamin Small, was  
7 there anyone else from Gemini that worked on  
8 Pearl Street matters?

9 MR. LAVIGNE: Objection. Form.

10 A Can you define "worked on"?

11 Q That engaged in any type of  
12 business related to Pearl Street?

13 MR. LAVIGNE: Objection. Form.

14 A I have general recollection of  
15 Michael Breu's awareness of Pearl Street  
16 Loans.

17 Q Did Michael Breu have a role with  
18 respect to Pearl Street?

19 MR. LAVIGNE: Objection.

20 A I can't speak to a role that he  
21 may have had.

22 Q Did you recall having any  
23 discussions with anyone Gemini -- at Gemini  
24 about the purpose of Pearl Street?

25 A I don't have independent

1 MOLIDOR

2 recollections; I have recollections that  
3 based on my review of documentation as part  
4 of our past arbitrations.

5 Q Is that something you understood  
6 at the time but just don't recall at the  
7 moment?

8 MR. LAVIGNE: Objection. Form.

9 A Can you clarify your question?

10 Q During the time that you worked at  
11 Gemini, did you have an understanding of the  
12 purpose of Pearl Street?

13 MR. LAVIGNE: Objection. Form.

14 A I can't speak to my state of my  
15 mind and what I may have understood during  
16 my tenure. That was almost seven years ago.

17 Q And my question is do you have --  
18 did you have an understanding at the time,  
19 you just don't recall now?

20 MR. LAVIGNE: Objection. Form.

21 A I can't speak to my state of mind  
22 something that occurred almost seven years  
23 ago.

24 Q What type of loans did Pearl  
25 Street offer?

1 MOLIDOR

2 MR. LAVIGNE: Objection. Form.

3 A My recollection is that there were  
4 three loans extended to institutional  
5 customers by Pearl Street. These loans were  
6 denominated in bitcoin and, based on my  
7 general recollection, also ether.

8 Q And just to clarify, when you say  
9 "three loans," do you mean that there were  
10 loans to three customers?

11 A That's correct.

12 Q And at times, would those loans  
13 finish and then be renewed or extended?

14 MR. LAVIGNE: Objection. Form.

15 A My general recollection is yes.

16 Q Focusing on the loans related  
17 to -- to the Pearl Street loans related to  
18 bitcoin, what was the size of the loans in  
19 bitcoin?

20 MR. LAVIGNE: Objection. Form.

21 A I don't recall.

22 Q What were the names of the  
23 borrowers of the Pearl Street loans?

24 A Best of my recollection, there  
25 were three institutional clients that, at

1 MOLIDOR

2 times, had loans outstanding with Pearl  
3 Street. Those institutional clients would  
4 be one, Circle Internet Financial; two, XBT  
5 Ops; and, three, B2C2.

6 Q And to your knowledge, did Pearl  
7 Street ever lend to anyone Gemini -- any --  
8 anyone that was not a Gemini customer?

9 MR. LAVIGNE: Objection. Form.

10 A I have no insight of Pearl Street  
11 operations aside from my interaction between  
12 Pearl Street and the three institutional  
13 clients that received the loans.

14 Q What was the purpose of the Pearl  
15 Street loans?

16 MR. LAVIGNE: Objection. Form.

17 Asked and answered.

18 A I can't speak to what the general  
19 purpose may have been.

20 Q You mentioned earlier that the  
21 Pearl Street loans were an incentive to  
22 trade on Gemini.

23 Can you explain how they were an  
24 incentive?

25 MR. LAVIGNE: Objection.

1 MOLIDOR

2 Misstates testimony.

3 A My general recollection is that  
4 offering Pearl Street loans as an incentive  
5 may have been attractive to select  
6 institutional customers given that it would  
7 expand their available trading balance at a  
8 global scale.

9 Q And why was expanding an available  
10 trading balance an incentive?

11 MR. LAVIGNE: Objection. Form.

12 A I can't speak to why it may have  
13 been an incentive to an institutional  
14 customer.

15 Q And what was the reason that the  
16 loan was being offered as an incentive?

17 MR. LAVIGNE: Objection. Form.

18 A I can't speak to the potential  
19 reason of an institutional entity that I did  
20 not control.

21 Q But you said the loans were  
22 offered as an incentive.

23 How did it incentivize the Gemini  
24 customer?

25 MR. LAVIGNE: Objection.

1 MOLIDOR

2 Misstates testimony.

3 A As I mentioned earlier, my general  
4 recollection is that receiving a Pearl  
5 Street loan would expand an institutional  
6 client's global balance sheet.

7 Q And how would that benefit Gemini?

8 MR. LAVIGNE: Objection.

9 A I can't speak to how it may have  
10 benefited Gemini.

11 Q Did it incentivize the borrower to  
12 trade on Gemini?

13 MR. LAVIGNE: Objection. Form.

14 A I can't speak to how a borrower  
15 may or may not have been incentivized by  
16 receiving a Pearl Street loan.

17 Q Was it intended to incentivize  
18 trading on Gemini?

19 MR. LAVIGNE: Objection. Asked  
20 and answered.

21 A I have general recollections of  
22 discussions around increasing trade activity  
23 on Gemini with recipients of Pearl Street  
24 loans.

25 Q And who were those discussions

1 MOLIDOR

2 with?

3 A I don't have independent  
4 recollections of these conversations. My  
5 general recollections is that these  
6 conversations would have been had with the  
7 three recipients of the Pearl Street loans.

8 Q Did you have any discussions with  
9 people internal to Gemini about how the  
10 Pearl Street loans would be an incentive?

11 MR. LAVIGNE: Objection.

12 A I don't have independent  
13 recollections. My recollections are limited  
14 to review of documentation as past -- part  
15 of past arbitrations.

16 Q While you worked at Gemini, about  
17 how much of your time was spent on Pearl  
18 Street loans?

19 A To the best of my recollection, I  
20 would estimate roughly 10 percent of my  
21 time.

22 Q Did you understand working on  
23 Pearl Street loans to be part of your Gemini  
24 job responsibilities?

25 MR. LAVIGNE: Objection. Form.

1 MOLIDOR

2 A I can't speak to my general  
3 understanding during my time at Gemini more  
4 than seven years ago.

5 Q Did you work on Pearl Street  
6 matters during a -- regular Gemini business  
7 hours?

8 A General recollection, yes.

9 Q Did you work on Pearl Street  
10 matters using Gemini computers and office  
11 equipment?

12 A Based on my recollection, yes.

13 Q Did you communicate about Pearl  
14 Street using Gemini messaging platforms?

15 MR. LAVIGNE: Objection. Form.

16 A My general recollection is yes.

17 Q Was your Pearl Street-related work  
18 intended to benefit Gemini?

19 MR. LAVIGNE: Objection. Form.

20 A I can't speak to what the  
21 intention of my scope of responsibilities  
22 was meant to be.

23 Q Do you have an understanding of  
24 why Gemini didn't lend directly to  
25 customers?

1 MOLIDOR

2 MR. LAVIGNE: Objection. Form.

3 A No.

4 Q Can you describe the basic  
5 economic terms of a Pearl Street bitcoin  
6 loan?

7 MR. LAVIGNE: Objection. Form.

8 A I don't have an independent  
9 recollection of the commercial terms. I  
10 have general recollections that they would  
11 include a loan of a set quantity of bitcoin  
12 or ether that would need to be returned upon  
13 maturity of the loan, general recollections  
14 that the loans would have fixed terms with  
15 the date set in the future at which the  
16 bitcoin would need to be received, and that  
17 the loans would carry with it an interest  
18 rate that the borrower would need to pay for  
19 receipt of this loan.

20 Q And what were the interest rates  
21 for Pearl Street loans?

22 A I don't recall.

23 Q Did you have discussions with  
24 Pearl Street borrowers about the interest  
25 rates that they would get on a Pearl Street

1 MOLIDOR

2 loan?

3 A I don't have independent  
4 recollections of those conversations.

5 Q Were the Pearl Street loans  
6 secured?

7 MR. LAVIGNE: Objection. Form.

8 A I don't know what that means.

9 Q Was there any type of guarantee  
10 that was needed for a Pearl Street loan?

11 MR. LAVIGNE: Objection. Form.

12 A I don't know.

13 Q Were the borrowers required to  
14 post any collateral?

15 A I don't recall.

16 Q Were the Pearl Street loan  
17 agreements in writing?

18 A My general recollection is that  
19 Pearl Street loans were executed with a  
20 legal contract.

21 Q Was it always the case that Pearl  
22 Street loans were executed with a legal  
23 contract?

24 A I can't speak to the business  
25 activity of Pearl Street beyond my tenure

1 MOLIDOR

2 and involvement with them.

3 Q Based on your personal experience  
4 with Pearl Street loans, were they always  
5 subject to a written agreement?

6 A I don't recall.

7 Q Were there any loan terms related  
8 to how the loan proceeds would be used?

9 MR. LAVIGNE: Objection.

10 A I have general recollections of  
11 conversations related to -- conversations  
12 with select VIP customers related to use of  
13 funds.

14 Q And what do you recall about those  
15 conversations?

16 MR. LAVIGNE: Objection.

17 A Again, I don't have independent  
18 recollection of these conversations. My  
19 general recollection is that they would  
20 reference Gemini-centric terms.

21 Q You mentioned "select VIP  
22 customers."

23 What is a "select VIP customer"?

24 MR. LAVIGNE: Objection. Form.

25 A I don't believe that's any sort of

1 MOLIDOR

2 vernacular that is used. That might have  
3 just been something that I said.

4 Q During your time at Gemini, did  
5 others at Gemini refer to the Pearl Street  
6 loan recipients as "VIP customers"?

7 A I can't speak to how others may  
8 have referred to customers.

9 Q Based on your understanding, did  
10 you hear others refer to the Pearl Street  
11 borrowers as VIP customers?

12 A I don't remember.

13 Q You mentioned "Gemini-centric  
14 terms."

15 What is a Gemini-centric term?

16 A I don't have independent  
17 recollections of discussing Gemini-centric  
18 terms. My general recollections would be  
19 they that these referred to increased trade  
20 activity on the platform for recipients of  
21 Pearl Street loans.

22 Q And during your time at Gemini,  
23 did you have any involvement in helping  
24 transfer the loan proceeds to the loan  
25 recipients?

1 MOLIDOR

2 Q What did you mean by  
3 Gemini-centric terms?

4 A I can't speak to what I may have  
5 meant in January of 2017, almost seven years  
6 ago.

7 Q Sitting here today, what do you  
8 understand "Gemini-centric terms" to refer  
9 to?

10 MR. LAVIGNE: Objection.

11 A My general recollection of  
12 Gemini-centric terms, based on review of  
13 documentation and preparation for past  
14 arbitrations, is that this refers to trade  
15 activity which would occur on Gemini for  
16 recipients of Pearl Street loans.

17 MR. LAVIGNE: Same objection.

18 Same application.

19 Q And has your understanding of  
20 Gemini-centric terms changed over the last  
21 seven years?

22 MR. LAVIGNE: Objection.

23 A I can't speak to my understanding  
24 more than seven years ago; therefore, I  
25 can't speak to any sort of evolution or

1 MOLIDOR

2 Winklevoss, Tyler Winklevoss, and Ben Small.

3 MR. LAVIGNE: Same objection.

4 Same application.

5 Q I want to focus on this first loan  
6 with XBTO in early January 2017.

7 Did you have any discussion with  
8 Cameron Winklevoss and Tyler Winklevoss  
9 about that loan?

10 A I don't have any independent  
11 recollections of conversations.

12 Q Did you negotiate Pearl Street  
13 loans without the approval of Cameron or  
14 Tyler Winklevoss?

15 MR. LAVIGNE: Objection to form.

16 A I have no recollection of doing  
17 so.

18 Q Did you go to Cameron and Tyler  
19 Winklevoss for approval over loan terms  
20 before you extended them to the loan  
21 recipients?

22 MR. LAVIGNE: Objection. Form.

23 A Based on my recollection, my scope  
24 of responsibilities in relation to Pearl  
25 Street loans was to negotiate potential

1 MOLIDOR

2 terms for loan recipients.

3 Q And once you negotiated the terms,  
4 would you go to Cameron or Tyler Winklevoss  
5 for approval?

6 A My general recollection is, yes,  
7 Cameron and Tyler Winklevoss would need to  
8 approve any terms that were negotiated in  
9 order for the Pearl Street loan to be  
10 extended to a recipient.

11 Q And would that include approving  
12 the interest rate being offered?

13 A My recollection is that the  
14 interest rate was in consideration amongst  
15 all terms that would need to be approved.

16 Q And would that include any  
17 Gemini-centric terms that were included as a  
18 term of a Pearl Street loan?

19 MR. LAVIGNE: Objection. Form.

20 A I don't recall independent  
21 recollections. I don't have independent  
22 recollections of conversations related to  
23 Gemini-centric terms. My general  
24 recollections is that all terms would need  
25 to be approved by Cameron and Tyler

1 MOLIDOR

2 Winklevoss for a Pearl Street loan.

3 MS. DE URIOSTE: Could you mark  
4 this as Exhibit CFTC 3.

5 (Whereupon, a Document,  
6 Bates-stamped GEM\_CFTC055833 was  
7 marked as CFTC Exhibit No. 3 for  
8 identification, as of this date.)

9 Q I have handed you -- or you have  
10 been handed a document marked as CFTC  
11 Exhibit 3. This document is Bates-numbered  
12 in the bottom right-hand corner,  
13 GEM\_CFTC055833.

14 Can you take a moment to look it  
15 over and let me know when you're ready.

16 A Okay.

17 Q Do you recognize this document?

18 A I don't have independent  
19 recollection. I have recollection of  
20 documents similar to this based on my  
21 preparation for past arbitration.

22 Q And what is --

23 MR. LAVERNE: I just want to  
24 clarify one thing. You say  
25 "independent recollection." You don't

1 MOLIDOR

2 have a specific recollection, but you  
3 do have a general recollection of  
4 documents like this.

5 THE WITNESS: Correct.

6 MR. LAVERNE: Okay. I'm not  
7 trying to interfere. I just want to  
8 make sure everyone was clear what  
9 you're saying.

10 Q And what is this?

11 A The document is titled: Bitcoin  
12 Loan Note.

13 Q Is this an example of one of the  
14 bitcoin loans that you negotiated with XBTO?

15 A Based on the date of January 5,  
16 2017, yes, it appears so.

17 Q Could you turn your attention to  
18 the middle of the page where there are two  
19 items itemized, number one and number two.

20 Do you see that?

21 A I see it.

22 Q And Item No. 2, can you explain  
23 what that means?

24 A Submit both both and sell  
25 auction-only limit orders within 150 BPS,

1 MOLIDOR

2 parentheses, 1.5 percent of the midpoint of  
3 BTC/USD continuous order book no later than  
4 3:50 p.m. Eastern time. This in addition to  
5 No. 1 and further consideration of the loan,  
6 the borrower agrees to the below terms with  
7 regards to the borrower's presence on the  
8 Gemini exchange.

9 My understanding is that this is a  
10 Gemini-centric term tied to the loan.

11 Q And why did the Pearl Street loan  
12 agreement have a Gemini-centric term?

13 MR. LAVIGNE: Objection.

14 A I can't speak to why it may have  
15 had a Gemini-centric term.

16 Q Does Item No. 2 relate to trading  
17 in a Gemini auction?

18 A Based on the inclusion of  
19 auction-only limit orders, it appears so.

20 Q And can you explain what this loan  
21 term is requiring?

22 A It seems like there is a request  
23 for the submission of both both and sell  
24 auction-only limit orders within a certain  
25 range relative to the midpoint price of the

1 MOLIDOR

2 discussions?

3 MR. LAVIGNE: Objection. Form.

4 A My general recollections of these  
5 conversations is in or around January and  
6 February of 2017, perhaps December of 2016,  
7 I had communications with Cameron and Tyler  
8 Winklevoss regarding high interest rates  
9 being a deterrent for loan recipients and  
10 that offering lower interest rates may  
11 further incline institutional customers to  
12 receive Pearl Street loans.

13 Q And was there a desire to further  
14 incline institutional customers to receive  
15 Pearl Street loans?

16 A My understanding was yes.

17 MR. LAVIGNE: Objection.

18 Q And why was that?

19 A As mentioned, Pearl Street loans  
20 were an incentive offer to select  
21 institutional clients on the platform in  
22 order to expand their balance sheet.

23 Q Was there a time when you  
24 discussed imposing conditions on Circle's  
25 Pearl Street loans?

1 MOLIDOR

2 MR. LAVIGNE: Objection.

3 A General recollections of  
4 conversations related to those topics.

5 Q Did you have discussions about  
6 potential Pearl Street borrowers being  
7 capital constrained?

8 MR. LAVIGNE: Objection.

9 A I have general recollections of  
10 conversations of that nature.

11 Q What do you recall about  
12 conversations about potential Pearl Street  
13 borrowers being capital constrained?

14 A I have general recollections of  
15 conversations related to institutional  
16 clients that would communicate that a lack  
17 of capital was inhibiting them from trading  
18 larger amounts on the exchange, and I took  
19 this to be interpreted as capital  
20 constraints.

21 Q And what did Pearl Street loan do  
22 in relation to a potential borrower's  
23 capital constraints?

24 MR. LAVIGNE: Objection.

25 A As mentioned earlier, Pearl Street

1 MOLIDOR

2 loans were one of a number of incentives  
3 that could be offered to institutional  
4 clients. My understanding, the benefit of a  
5 Pearl Street loan is that it would expand a  
6 client's balance sheet.

7 Q And what do you mean "expand a  
8 client's balance sheet"?

9 A Increase the amount of capital  
10 that they could use to trade.

11 Q Did you have discussions with  
12 Gemini customers about Gemini auctions  
13 requiring capital to be able to participate  
14 in Gemini auctions?

15 MR. LAVIGNE: Objection. Form.

16 A I don't recall specific  
17 conversations related to that.

18 MS. DE URIOSTE: Can you mark this  
19 16.

20 (Whereupon, a Document,  
21 Bates-stamped GEM\_CFTC071477 was  
22 marked as CFTC Exhibit No. 16 for  
23 identification, as of this date.)

24 Q I have handed you a document  
25 marked as CFTC Exhibit 16. The first page

1 UNITED STATES DISTRICT COURT  
2 SOUTHERN DISTRICT OF NEW YORK  
3 Case No. 22-cv-4563

4 - - - - -x  
5 COMMODITY FUTURES TRADING COMMISSION,

6 Plaintiff,

7 -against-

8 GEMINI TRUST COMPANY,

9 Defendant.  
10 - - - - -x

11  
12  
13 VOLUME II

14 CONFIDENTIAL VIDEOTAPED DEPOSITION OF

15 SHANE MOLIDOR

16 NEW YORK, NEW YORK

17 THURSDAY, DECEMBER 14, 2023  
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22 REPORTED BY:

23 DANIELLE GRANT

24 JOB NO.: 6349727  
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DECEMBER 13, 2023

8:35 A.M.

Continued Confidential Videotaped  
Deposition of SHANE MOLIDOR, held at the offices  
of the COMMODITIES FUTURES TRADING COMMISSION,  
140 BROADWAY, NEW YORK, NEW YORK pursuant to  
Notice before DANIELLE GRANT, a Shorthand  
Reporter and Notary Public of the State of  
New York.

1 A P P E A R A N C E S:  
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3 Division of Enforcement  
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34  
35 ALSO PRESENT:  
36  
37 BRENT TOMER, ESQ., CFTC  
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39 KATIE RASOR, ESQ., CFTC  
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43 PHILIP GLAUBERSON, Videographer

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MR. LAVERNE: Objection. Asked  
and answered.

Q You can answer.

A I believe I've already answered  
that.

Q Can you answer again?

A Yes.

Q While you worked at Gemini, did  
Gemini permit its customers to trade on  
leverage on the Gemini exchange?

MR. LAVIGNE: Objection. Form.

A I'm sorry.

Can you clarify what you mean by  
"leverage"?

Q Do you have an understanding of  
what leverage means with respect to trading  
on bitcoin exchanges?

A I have a general understanding as  
I sit here today.

Q What is your general understanding  
of what it means to trade on leverage?

MR. LAVIGNE: Objection. Form.

A My understanding of leverage is  
that it's a form of margin, wherein a

1  
2 customer posts collateral and is able to  
3 borrow against that collateral to many  
4 multiples the extent of said collateral in  
5 order to potentially place trades on a  
6 leverage matching engine, often referred to  
7 as a margin trading platform or a  
8 derivatives-type platform.

9 Q And based on that understanding of  
10 the term "leverage," while you worked at  
11 Gemini, did Gemini permit its customers to  
12 trade on leverage on the Gemini exchange?

13 MR. LAVIGNE: Objection. Form.

14 A No.

15 Q Do you recall yesterday, Gemini's  
16 counsel asked you about there being a witch  
17 hunt on self-trading at Gemini around  
18 February 2017?

19 A Yes. I recall.

20 Q Who was involved in the witch  
21 hunt?

22 MR. LAVERNE: Objection. Form.

23 A I have general recollections that  
24 both engineers and compliance, as well as  
25 senior leadership, were involved in this